

Message Text

UNCLASSIFIED

PAGE 01 STATE 086630

65

ORIGIN COME-00

INFO OCT-01 NEA-10 ISO-00 EB-07 /018 R

DRAFTED BY COM/BIC/CAGNE/JTHALDANE

APPROVED BY EB/CSB/JWBILLER

EB/OCA/CM/SHARRIS

NEA/RA/KKOLB

NEA/IRN/RBEALES

EB/OCA/CM/AWALLACE

COM/BIC/CAGNE/PBHALE

COM/BIC/CWHOSTLER

COM/DIBA/TEREED

COM/US/JABAKER COM/OS/ELRICARDSON

----- 008510

P 092319Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY TEHRAN PRIORITY

UNCLAS STATE 086630

E.O. 11652: N/A

TAGS:BEXP, IR

SUBJECT: TEHRAN INTERNATIONAL TRADE FAIR (TITF)

REF: TEHRAN 2828; STATE 054723

1. THE FOLLOWING MESSAGE IS FROM SECRETARY RICHARDSON TO AMBASSADOR HELMS. EMBASSY'S THOROUGH REVIEW OF THE POLITICAL AND ECONOMIC CONSIDERATIONS RELEVANT TO A DECISION ON U.S. PARTICIPATION IN THE NEXT TITF IS MOST APPRECIATED. SINCE USDOC IS BEING FORCED BY SEVERE BUDGETARY RESTRICTIONS TO REEVALUATE OUR TRADE PROMOTION EFFORTS THROUGHOUT THE WORLD, YOUR POLITICAL/ECONOMIC EVALUATION OF THE IMPORTANT IRANIAN MARKET HELPS US TO MORE ACCURATELY GAUGE THE IMPACT OF NON-PARTICIPATION IN THE TITF THIS YEAR AND IN FUTURE YEARS. WHILE A SPECIAL EFFORT CAN MAKE TITF PARTICIPATION POSSIBLE THIS YEAR, WE CANNOT ASSUME THAT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 086630

FUNDS WILL BE AVAILABLE FOR SUBSEQUENT APPEARANCES. THERE-

FORE MAXIMUM LONG RANGE BENEFIT SHOULD BE OBTAINED FROM FY 77 PARTICIPATION, IN VIEW OF THE IMPORTANCE ATTACHED BY GOI TO OUR PARTICIPATION.

2. MAXIMIZING BENEFITS FROM FY 77 ATTENDANCE COULD INCLUDE GREATER UNDERSTANDING ON THE PART OF THE GOI AND EVENTUAL RESOLUTION OF SOME OF THE PROBLEMS FACED BY ELEMENTS OF OUR COMMERCIAL PROGRAM IN IRAN. WITHOUT DIRECTLY TYING PARTICIPATION IN THE TITF TO ANY ACTION BY THE GOI IN OTHER TRADE-RELATED AREAS--WHICH TIE WOULD SURELY BE RESENTED AND, MOST LIKELY, REJECTED OUT-OF-HAND BY THE GOI--THE EMBASSY SHOULD SEEK TO CAPITALIZE ON OUR PARTICIPATION IN THE 1977 TRADE FAIR IN THE COURSE OF ITS EFFORTS TO IMPROVE THE SITUATION IN WHICH THE TRADE CENTER OPERATES.

3. AS MENTIONED IN REFTTEL, IT HAS BEEN NECESSARY FOR USDOC TO ESTABLISH A STRICT SET OF CRITERIA FOR TYPE I PARTICIPATION IN INTERNATIONAL TRADE FAIRS WORLDWIDE. UNLESS WE CAN BE ASSURED OF A SUCCESSFUL EXHIBITION, BOTH IN SALES AND EXHIBITOR SATISFACTION, THE ALLOCATION OF USDOC FUNDS CANNOT BE JUSTIFIED. EMBASSY CAN APPRECIATE THIS PROBLEM AFFECTS CONSIDERATION OF PARTICIPATION IN A NUMBER OF INTERNATIONAL TRADE FAIRS IN THE NEAR EAST, ALL OF WHICH ARE CONSIDERED BY OUR EMBASSIES TO REQUIRE ATTENDANCE FOR POLITICAL AS WELL AS COMMERCIAL REASONS. NONETHELESS, GIVEN THE CRITICAL IMPORTANCE EMBASSY TEHRAN ATTACHES TO U.S. ATTENDANCE DURING THE BICENTENNIAL YEAR, USDOC WILL MAKE A SINCERE EFFORT TO SECURE FUNDS FOR A PAVILION AT THIS YEAR'S TITF.

4. USDOC HOPES TO MAKE UP TO FIFTY FIVE THOUSAND DOLLARS AVAILABLE FOR A COMMERCIAL PRESENCE TYPE (CPF) TITF PAVILION THIS YEAR, AND BELIEVES THAT EMBASSY-COLLECTED PARTICIPATION FEES CAN MATCH LAST YEAR.

5. SINCE EMBASSY TEHRAN RESPONSIBILITY FOR THE RECRUITMENT AND ADMINISTRATIVE SUPPORT IS ASSUMED UNDER CPF TYPE PROGRAM, WE REQUEST THE DESIGNATION OF OFFICER TO HANDLE RECRUITMENT OF IRANIAN BASED U.S. FIRMS AND OTHER FAIR UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 086630

MATTERS, INCLUDING COLLECTION OF PARTICIPATION FEES. WE FEEL THAT THE RECRUITMENT PHASE MUST BE COMPLETED NO LATER THAN JULY 1, 1976.

6. EMBASSY SHOULD BE AWARE THAT NEW-TO-MARKET (NTM) FIRMS ARE NOT AS A GENERAL RULE LIKELY CANDIDATES FOR THIS TYPE OF EVENT, SINCE IT IS DIFFICULT TO CONVINCE THESE FIRMS TO ENTER GENERALIZED TRADE FAIRS WHICH RUN FOR EXTENDTD

PERIODS WITH AN OPEN ATTENDANCE. THIS IS PARTICULARLY TRUE FOR IRAN WHERE EXTRA WEEKS OF EXPENSES CAN AMOUNT TO SEVERAL THOUSAND DOLLARS. PREFERENCE IS FOR A TIGHT 4-6 DAY EXHIBITION WITH A RESTRICTED BUSINESSMAN ATTENDANCE. WHILE SOME LARGER OLD-TO-MARKET FIRMS CAN FREQUENTLY PLY SIGNED FOR GENERALIZED FAIRS, SUCH COMPANIES ARE USUALLY REPRESENTED BY LOCAL AGENTS, AND DO NOT ENTER WITH THE HIGH SALES EXPECTATIONS OF NEW-TO-MARKET EXHIBITORS. ANOTHER MAJOR DETERRENT TO THIS TYPE OF EVENT AMONG NTM IS THE HIGH COST OF FREIGHT TO IRAN, AS WELL AS THE TIME PERIOD THAT FREIGHT IS TIED UP CLEARING IRANIAN PORTS.

7. SHOULD RECRUITMENT NOT BE COMPLETED AND SUFFICIENT EXHIBITOR CONTRIBUTIONS COLLECTED BY JULY 1, COMMERCE WILL BE FORCED TO WITHDRAW SUPPORT, SINCE NEITHER ADDITIONAL FUNDS NOR WASHINGTON STAFF ARE AVAILABLE TO COMPENSATE FOR ANY SHORTFALL IN OVERSEAS RECRUITMENT.

8. EMBASSY COMMENTS WOULD BE APPRECIATED REGARDING THE AVAILABILITY OF QUALITY INDOOR SPACE FOR A U.S. PAVILION IN THE TITF. IF AVAILABLE, NO COST TO COMMERCE OPTION SHOULD BE OBTAINED. PAST EFFORTS TO UTILIZE OUTDOOR SPACE THROUGH THE USE OF TEMPORARY SHELTERS DOES NOT APPEAR TO BE AN AVAILABLE ALTERNATIVE THIS YEAR.

9. EXHIBITION DIRECTOR AND DEPUTY TO BE SELECTED. WOULD EXPECT ARRIVAL IN TEHRAN IN MID-JULY TO ASSUME DUTIES.

10. THE FUNDING OF A U.S. PAVILION AT THE TITF WILL BE IN ADDITION TO THE TYPE I PARTICIPATION IN THE NOVEMBER 1977 SANITARY, HOUSEHOLD APPLIANCE, HEATING AND AIRCONDITION EXHIBITION.

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 086630

11. IN VIEW OF EXPECTED CONTINUING DIFFICULTIES FOR USDOC TO FUND TITF ACTIVITY IN FUTURE, USDOC FEELS THAT IT IS ONLY REASONABLE FOR EMBASSY TO BEGIN APPRISING GOI OF NONPARTICIPATION ON AN ANNUAL BASIS. WE NOTE, IN THIS REGARD, THAT FRANCE IS NOT LISTED AS A PARTICIPANT THIS YEAR AND WOULD BE INTERESTED IN ANY INFORMATION EMBASSY MAY HAVE ON THIS SITUATION.

12. EMBASSY CONCURRENCE AND VIEWS, PARTICULARLY ON PARA 2 ARE REQUESTED. KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE086630
Document Source: CORE
Document Unique ID: 00
Drafter: BIC/CAGNE/JTHALDANE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760136-0043
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760476/aaaacmvv.tel
Line Count: 164
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 TEHRAN 2828, 76 STATE 54723
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUN 2004 by SilvaL0>; APPROVED <15 DEC 2004 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TEHRAN INTERNATIONAL TRADE FAIR (TITF)
TAGS: BEXP, IR
To: TEHRAN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006